NEW APPLICATION

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BEFORE THE ARIZONA CORPORATION COMMISSION

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TOM FORESE

IN THE MATTER OF THE APPLICATION OF UNS ELECTRIC, INC. FOR APPROVAL OF ITS 2016 RENEWABLE ENERGY STANDARD IMPLEMENTATION PLAN.	DOCKET NO. E-04204A-15-0233

APPLICATION

ORIGINAL

UNS Electric, Inc. ("UNS Electric" or the "Company"), through undersigned-counsel, hereby submits its 2016 Renewable Energy Standard and Tariff ("REST") Implementation Plan ("Plan") for Arizona Corporation Commission ("Commission") approval, in compliance with A.A.C. R14-2-1801 *et seq.*[1]

UNS Electric remains committed to compliance with the 2016 REST requirement of six (6) percent of retail sales (or 93,834 megawatt hours ("MWh")) as cost-effectively as possible. Key components of the Plan include: (i) new renewable energy resources intended to be added through 2020 (through both purchased power agreements and Company-owned facilities); (ii) new and existing programs and the associated budgets for such programs; and (iii) a new, lower REST surcharge to recover the cost of the Plan. UNS Electric proposes to recover approximately $5.2 million through the REST tariff to implement the Plan. The estimated cost to implement the Plan is approximately $6.8 million, which will be partially offset by applying $1.6 million of carryover funds from the 2014 budget. In order to implement this Plan, UNS Electric requests that the Commission decrease the current REST surcharge of $0.0100 per kWh to $0.0070 per kWh. UNS Electric is not

[1] For its Plan, Exhibit 3 (AMCCCG) and Exhibit 5 (Implementation Plan New Resource Costs) are confidential and will be provided to Commission Staff upon execution of a protective agreement.

proposing any incentives for non-residential projects, consistent with previous Commission decisions. At this time, current retail sales and renewable energy production forecasts show that UNS Electric will be able to achieve compliance for 2016 for the residential portion of the Distributed Renewable Energy Requirement in A.A.C. R14-2-1805(D); however, UNS Electric will not meet the non-residential portion of the Distributed Renewable Energy Requirement in A.A.C. R14-2-1805(D) and will require a waiver of that provision.

UNS Electric believes it is in the public interest to implement cost-effective, customer-based solutions to meet the Company's REST requirements while providing safe, reliable and affordable energy to its customers. Accordingly, UNS Electric requests that the Commission to issue an order prior to December 31, 2015 to be effective January 1, 2016 that:

1. Approves its 2016 Renewable Energy Implementation Plan;
2. Lowers the REST surcharge from $0.0100 to $0.0070 per kWh for 2016, while retaining the 2015 monthly caps for all customer classes; and
3. Provides a waiver from compliance with the non-residential portion of the Distributed Renewable Energy Requirement set forth in A.A.C. R14-2-1805(D).

RESPECTFULLY SUBMITTED this 1st day of July 2015.

UNS ELECTRIC, INC.

By _____

Michael W. Patten
SNELL & WILMER L.L.P
One Arizona Center
400 East Van Buren Street
Phoenix, Arizona 85004

and

Bradley S. Carroll
UNS Electric, Inc.
88 East Broadway Blvd., MS HQE910
P. O. Box 711
Tucson, Arizona 85702

Attorneys for UNS Electric, Inc.

Original and 13 copies of the foregoing
filed this 1st day of July, 2015, with:

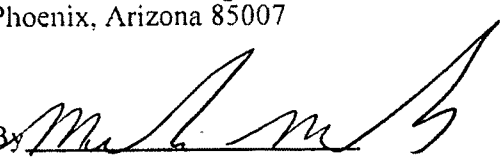
Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Copies of the foregoing hand-delivered/mailed
This 1st day of July, 2015, to the following:

Dwight Nodes, Acting Chief Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Janice M. Alward, Chief Counsel
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Steve Olea, Director
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By 

UNS Electric, Inc.

2016 Renewable Energy Standard Implementation Plan

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ATTACHED EXHIBITS

* Confidential

I. EXECUTIVE SUMMARY

UNS Electric, Inc. ("UNS Electric" or "Company") has prepared its 2016 Implementation Plan ("Plan") in compliance with the Arizona Corporation Commission's ("Commission") Renewable Energy Standard and Tariff ("REST") Rules pursuant to Arizona Administrative Code ("A.A.C.") R14-2-1813. The cost-effective strategy set forth in the Plan demonstrates UNS Electric's commitment to fulfilling the REST requirements for 2016 and beyond. Key components of the Plan include: new renewable energy resources to be added through 2020; proposed and existing Company programs and budgets; and related REST tariff.

Pursuant to A.A.C. R14-2-1804 and R14-2-1805, UNS Electric must obtain six (6.0) percent of its 2016 annual retail sales from eligible renewable resources; thirty percent (30%) of that renewable energy must come from eligible distributed generation ("DG") resources. Further, UNS Electric must meet one-half of its annual DG requirement from residential applications and the remaining one-half from non-residential, non-utility applications. UNS Electric plans to satisfy all or part of the annual requirement using existing utility-scale renewable generation and credits; power purchase agreements ("PPA") with renewable developers; new utility-owned renewable generation; and DG resources.

To fund these efforts, UNS Electric is proposing to recover approximately $5.2 million through the REST tariff. The estimated cost to implement the Plan is approximately $6.8 million, which will be partially offset by applying $1.6 million of carryover funds from the 2014 budget. This funding is necessary to: cover the cost of utility-scale renewable generation (including the excess cost of renewable PPA compared with conventional generation); incentive payments for DG resources; REST programs; education and outreach efforts; and administrative expenses. UNS Electric expects its annual REST budgets for 2017-2020 to average approximately $5.9 million per year. (see Exhibit 1) (Line Item Budget).

UNS Electric's Plan demonstrates the Company's commitment to meeting the Annual Renewable Energy Requirement and the residential portion of the DG requirement in the most

cost effective manner. To satisfy the non-residential portion of the residential DG carve-out requirements, UNS Electric is seeking a waiver from the Commission for the requirements of A.A.C. R14-2-1805(D). UNS Electric requests that the Commission approve the Plan, as well as its associated budget and tariff prior to December 31, 2015, to be effective January 1, 2016.

II. 2016 IMPLEMENTATION PLAN COMPONENTS

UNS Electric's Annual Renewable Energy Requirement as set forth in A.A.C. R14-2-1804 is six (6.0) percent of retail kWh sales, a level projected to equal 93,834 megawatt hours ("MWh"). The REST requirements target two resource categories: (1) utility-scale generation; and (2) DG. UNS Electric intends to expand its utility-scale generation portfolio and enhance its Bright Arizona Solar Buildout Plan.

A. Utility-Scale Renewable Generation

UNS Electric will satisfy the 2016 utility-scale requirement through renewable resources capable of producing approximately 135,245 MWh (see Table 1). These resources include Company-owned systems and utility-scale projects developed through PPAs. Company-owned resources include a 1.2-MW solar array in Kingman and a 7.2 MW solar array near Rio Rico. Resources secured through PPAs include a 9.9 MW solar array near the Company's Black Mountain Generating Station in Mohave County and a 10.3 MW combined wind and solar resource in the Kingman area. The Company is also proposing a 5 MW solar array to be sited within Mohave County. In addition to assisting non-residential DG requirements, these projects will provide UNS Electric with enough renewable power to meet or exceed its utility-scale REST requirements in 2016. Graph 1 below shows how UNS Electric's current and planned resources will allow the Company to satisfy its utility scale REST requirements through 2020. Table 1 details UNS Electric's utility-scale projects, including existing systems and planned resources.

Graph 1. Renewable Energy Standard Targets

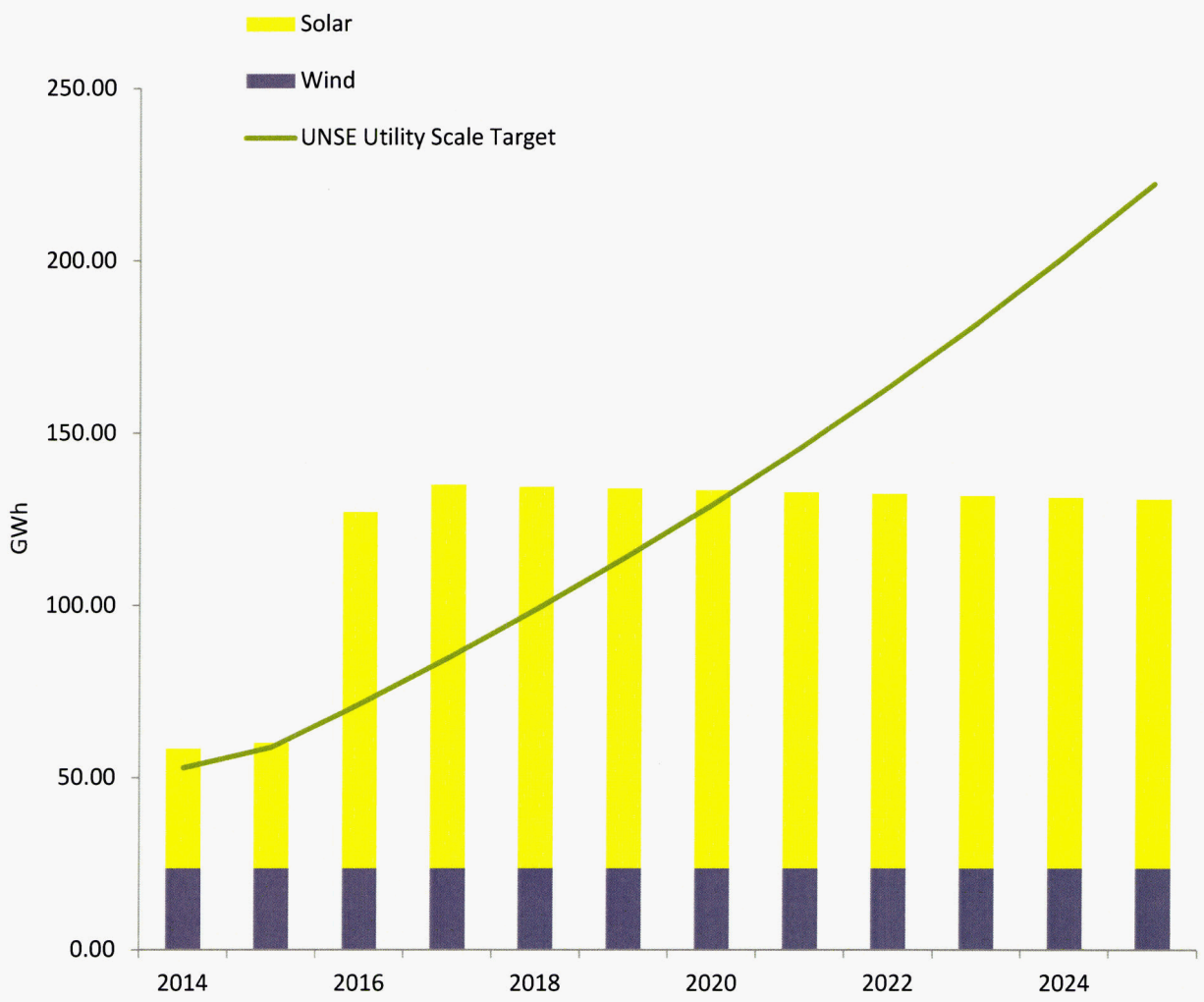

Table 1. Utility Scale Generation

	Project	Capacity MW (DC)	Annual MWh	Technology	Expected In-Service Date	UNSE Owned
	Existing Renewable Generation					
*	Kingman Wind Farm	10	23,652	Wind	Operational	No
	Kingman Wind Farm (Solar)	0.3	692	Fixed PV	Operational	No
	Black Mountain Solar	9.9	22,881	SAT	Operational	No
	La Senita	1.2	2,095	Fixed PV	Operational	Yes
	Rio Rico	7.2	11,427	Fixed PV	Operational	Yes
	Total Existing	**28.6**	**60,747**			
	Project	**Capacity MW**	**Annual MWh**	**Technology**	**Expected In-Service Date**	**UNSE Owned**
	Bright Arizona Solar Buildout Plan					
	UNSE 5 MW	5	9,152	TBD	2016	Yes
	Total Future - BASBP	**5**	**9,152**			
	Future Renewable Generation					
*	Red Horse II (Expansion)	30	65,345	Fixed PV	Jan-16	No
	Total Future – Pending (Contracts)	**30**	**65,345**			
	Total Planned Generation (Contracts)	**63.6**	**135,245**			
	Total Planned Generation thru 2016	**63.6**	**135,245**			

*Note Capacity reported in AC value

B. Bright Arizona Solar Buildout Plan

In Decision No. 74877 (December 23, 2014), the Commission approved $5 million each for 2015 and 2016 for the UNS Electric Buildout Plan. Under the Buildout Plan, the Company will complete a procurement solicitation to build a new solar PV facility in 2016. This process will reduce design, engineering, and procurement costs, allow the use of a single interconnection, and create an opportunity to satisfy the minimum 5 MW requirement to qualify for a state production tax credit. The UNS Electric Buildout Plan has been an essential component of the Company's renewable energy strategy; however, as shown in Table 2 below, the Company will

no longer request recovery of new expenditures through the REST, other than those approved. UNS Electric will continue to invest and expand its utility-scale portfolio, but will recover those costs through traditional methods.

Table 2. Bright Arizona Solar Buildout Plan Investment Timeline

Bright Arizona Solar Buildout Plan				
Program Year	Year Installed	Annual Capital Investment	Recovered Through REST	Approx. MW
2015	2016	$ 5,000,000	Yes	Combined w/ '16
2016	2016	5,000,000	Yes	5.50
2017	TBD	5,000,000	No	2.85
2018	TBD	5,000,000	No	2.85
2019	TBD	5,000,000	No	2.85
2020	TBD	5,000,000	No	2.85

The revenue requirement includes recurring costs related to the capital investment, including return on investment, depreciation, property taxes, and operations and maintenance ("O&M") expense. UNS Electric seeks continued recovery of these costs through the REST tariff as approved by the Commission until such investments and related costs can be included in base rates. The revenue requirement for investments made from 2017-2020 will not be recovered through the REST. Each column shown in Table 3 represents the expected revenue requirement for UNS Electric's capital investment from the prior year. Table 4 shows expected cumulative annual revenue requirements.

Table 3. Revenue Requirement for the Bright Arizona Solar Buildout Plan

Revenue Requirement	2016	2017	2018	2019	2020
Carrying Costs	$ 516,948	$ 653,440	$ 531,289	$ -	$ -
Book Depreciation	291,667	500,000	500,000	-	-
Property Tax Expense	20,558	-	43,085	-	-
O&M	38,192	75,000	77,250	-	-
Lease Expense	10,000	-	-	-	-
Total Revenue Requirement	$ 877,365	$ 1,228,440	$ 1,151,624	$ -	$ -

Table 4. Estimated Annual Budget for the Bright Arizona Solar Buildout Plan

Utility Owned Solar Projects by Year	2016	2017	2018	2019	2020
2014 - Rio Rico 7.2 MW	$ 835,698	$ -	$ -	$ -	$ -
2015 - No expected project completions	-	-	-	-	-
2016 - TBD 5.0 MW	41,667	1,228,440	1,151,624	-	-
Annual Revenue Requirement	**$ 877,365**	**$ 1,228,440**	**$ 1,151,624**	**$ -**	**$ -**

C. Distributed Generation Incentive Program

UNS Electric is not proposing DG incentives for 2016, consistent with previous Commission decisions. Based on current retail sales and production forecasts, the Company expects to meet the residential DG carve-out requirements in R14-2-1805 (D) through the retirement of RECs in 2016. Although the Company owns sufficient RECs from non-residential distributed generation resources, these facilities are utility-owned and currently not eligible for compliance purposes. Therefore, UNS Electric is requesting a waiver of the non-residential DG requirement for 2016. The Plan includes funds for performance-based incentives ("PBI") awarded in prior years, before those incentive programs were discontinued. To fund these programs, the budget for the proposed incentive program is $892,297. Existing PBI allocations are shown in Table 5, as well as the relative MWh and MW achieved.

Table 5. PBI Budget

	2016	Annual MWh	Annual MW
PBIs	$ 892,297	8,225	4.7

D. Market Cost of Comparable Conventional Generation

Consistent with the REST rules, UNS Electric calculates program expenses using the Market Cost of Comparable Conventional Generation ("MCCCG"). Details on the methodology

for the MCCCG calculation are included in Exhibit 2. The annual MCCCG rates are calculated in advance and stated as a dollar-per-MWh value by technology type. The Above Market Cost of Comparable Conventional Generation ("AMCCCG") expenses are based on PPA pricing after subtracting the corresponding MCCCG based on projected hourly energy profiles. See Exhibit 3 (AMCCCG) and Exhibit 5 (Implementation Plan New Resource Costs), both of which are confidential.[1] Associated capacity can be seen in Exhibit 4 (Implementation Plan New Resources). The profiles are determined by UNS Electric's production cost model in coordination with the Company's annual Purchase Power and Fuel Adjustment Clause ("PPFAC") filing. The MCCCG is included for wind, PV systems, concentrated solar with storage, and bio-fueled renewable resources. Due to a sharp decline in the price of conventional fuels, the AMCCCG for 2016 has increased substantially when compared to previous years.

E. Schools Vocational Program

In previous REST plans, UNS Electric had a program that allowed for the donation of solar PV systems to public high schools within its service territory. During the years that the program was in existence, all of the public high schools within UNS Electric's service territory received a modest sized PV system of approximately 5 to 7.5 kW. Since that time, there have been several schools that were built within the service territory, and they have reached out to UNS Electric to see if they can participate in a similar program. UNS Electric is requesting that the Commission approve $60,000 of funding in order to provide solar PV systems to these schools.

[1] Exhibits will be provided to Commission Staff upon execution of a protective agreement.

III. THE PLAN BUDGET

As stated previously, the cost to implement UNS Electric's Plan will be $7 million. The Plan's detailed budget is attached as Exhibit 1 (Line Item Budget). Exhibit 1 includes a breakdown of the costs for renewable energy, the DG programs, schools vocational program, research and development, outside services support and reporting, technology, and marketing. Table 6 includes a high-level Plan budget.

Table 6. Plan Budget by Category

Category	Budget
Utility Scale	$ 5,500,311
Existing Large Non-Residential PBI	892,297
Operating Costs (Education & Outreach, Technical Training, IT, Metering, Labor & R&D)	397,703
2016 Program Costs	**$ 6,790,311**
Carryover	1,597,603
Total 2016 Plan	**$ 5,192,708**

IV. THE 2016 REST TARIFF

The Company's REST tariff (Rider R-6) and proposed Statement of Charges (both clean and redline versions setting forth revisions to the REST surcharge) are attached as Exhibit 6.[2] UNS Electric's Plan calls for lowering the tariff charge from $0.0100/kWh to $0.00700/kWh and also maintaining the current monthly caps for all customer class. The caps were developed using the proportional cap allocation method previously approved by the Commission. Table 7 details

[2] The Customer Load Percentage Analysis is set forth in the attached Exhibit 7.

the Company's approved budget for 2015 and proposed budget for 2016 delineated by rate class. Table 8 sets forth the currently approved customer class caps and the caps proposed for the Plan.

Table 7. 2015/2016 Budget by Rate Class

Rate Class	2015 Approved Budget	2016 Proposed Budget
Residential	$ 2,926,700	$ 2,761,880
Commercial	2,512,026	2,033,441
Lighting (PSHL)	7,310	5,544
Industrial & Mining	370,994	380,414
Total	**$ 5,817,030**	**$ 5,181,280**

Table 8. 2015/2016 Caps by Rate Class

Rate Class	2015 Approved Caps	2016 Proposed Caps
Residential	$ 3.40	$ 3.40
Commercial	90.00	90.00
Lighting (PSHL)	90.00	90.00
Industrial & Mining	10,000.00	10,000.00
Per kWh to All Classes	**$ 0.0100**	**$ 0.0070**

V. RENEWABLE ENERGY BALANCING, INTEGRATION, AND FIELD TESTING

The Company plans to continue its commitment to furthering the integration of renewable energy on its system. UNS Electric typically commits a portion of its REST budget to provide technical support for the adoption of renewable energy. Table 9 outlines UNS Electric's proposed budget for this work in 2016.

Table 9. UNS Electric's Integration Initiatives by Project

Renewable Integrtion Initiatives	Budget
Solar and Wind Forecast Integration	$ 25,000
UVIG, SEPA, & AWEA Membership Dues	7,500
Total	**$ 32,500**

A. Solar and Wind Forecast Integration

UNS Electric has been working with the University of Arizona's ("UA") Departments of Physics and Atmospheric Sciences to create and implement a Solar and Wind Integration Forecasting portal. The tool is now functional and is being actively used in UNS Electric's Wholesale Marketing and Operations departments. As DG and utility-scale projects continue to interconnect to UNS Electric's electrical grid, it is crucial for various departments to utilize the weather forecasting tools.

In addition to solar and wind forecasting, UNS Electric also participates in other research that the UA conducts in partnership with Tucson Electric Power ("TEP"). This research includes field testing of solar PV modules and inverters, as well as grid integration studies. In the 2015 REST Plan, these R&D efforts were removed; however, the Company feels that these investments play an essential role in the effective integration of renewable energy onto its system, and is proposing that they be reauthorized. The proposed budget for these programs is $25,000.

B. UVIG, SEPA, AWEA

To facilitate its compliance with the REST, UNS Electric actively participates in three renewable industry associations: the Utility Variable (Energy) Integration Group ("UVIG"); the

Solar Electric Power Association ("SEPA"); and the American Wind Energy Association ("AWEA"). High penetrations of solar and wind make UVIG (a variable generation group) relevant, while SEPA and AWEA provide resources and expertise that help the Company manage renewable programs and stay informed on issues facing the industry. The proposed budget for these groups' fees is $7,500.

VI. CONCLUSION

The proposed 2016 REST Implementation Plan filed by UNS Electric was developed to cost-effectively comply with the REST requirements. The Company submits that the proposed plan is prudent and in the public interest. The Company also believes that the Bright Arizona Solar Buildout Plan for 2015-16 will create significant benefits for customers by facilitating cost-effective compliance with the REST mandate. UNS Electric respectfully requests that the Commission approve the UNS Electric 2016 REST Implementation Plan as submitted, including a waiver of the non-residential portion of the DG requirement.

Exhibits

Exhibit 1

Line Item Budget

Exhibit 1

Line Item Budget

Exhibit 1

UNS Electric Renewable Energy Standard Tariff

Line Item Budget	Approved 2015	2016	2017	2018	2019	2020
Total REST Budget & Tariff Collection:	**$ 5,580,006**	**$ 5,192,709**	**$ 6,868,142**	**$ 6,555,140**	**$ 5,247,949**	**$ 5,113,382**
Utility Scale Energy						
Above Market Cost of Conventional Generation	$ 5,266,131	$ 4,622,946	$ 4,394,029	$ 4,140,873	$ 3,975,263	$ 3,821,305
UNSE Owned	1,948,667	877,365	1,228,440	1,151,624	-	-
Subtotal	**7,214,798**	**5,500,311**	**5,622,469**	**5,292,497**	**3,975,263**	**3,821,305**
Customer Sited Distributed Renewable Engergy	-					
Annual Performance Based Incetive (PBI)	892,297	892,297	892,297	892,297	892,297	892,297
Meter Reading	6,250	6,250	6,250	6,250	6,250	6,250
Consumer Education and Outreach	-	30,000	30,000	30,000	30,000	30,000
School Vocational Program	-	60,000				
Subtotal	**898,547**	**988,547**	**928,547**	**928,547**	**928,547**	**928,547**
Technical Training: Internal and Contractor Training	**37,500**	**37,500**	**37,500**	**37,500**	**37,500**	**37,500**
Information Systems	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**
Metering	**91,365**	**107,453**	**112,825**	**118,466**	**118,466**	**124,390**
Program Labor and Administration:						
Internal Labor	78,088	63,000	69,300	76,230	83,853	92,238
External Labor	10,000	20,000	22,000	24,200	26,620	29,282
Labor, Materials, Supplies	20,000	20,000	22,000	24,200	24,200	26,620
AZ Solar Website	1,000	1,000	1,000	1,000	1,000	1,000
Subtotal	**109,088**	**104,000**	**114,300**	**125,630**	**135,673**	**149,140**
Renewable Energy Research and Development:						
University of Arizona research projects	-	25,000	25,000	25,000	25,000	25,000
Dues and Fees	-	7,500	7,500	7,500	7,500	7,500
Subtotal	-	**32,500**	**32,500**	**32,500**	**32,500**	**32,500**
Total Spending	**8,371,298**	**6,790,311**	**6,868,142**	**6,555,140**	**5,247,949**	**5,113,382**
Carryover of REST Funds	**2,791,292**	**1,597,603**				
Total Amount for Recovery	**$ 5,580,006**	**$ 5,192,709**	**$ 6,868,142**	**$ 6,555,140**	**$ 5,247,949**	**$ 5,113,382**

Exhibit 2

Definition of Market Cost of Comparable Conventional Generation

Exhibit 2

Market Cost of Comparable Conventional Generation

2016 Renewable Energy Standard and Tariff

OVERVIEW

Consistent with the Renewable Energy Standard Tariff ("REST") Rules passed by the Arizona Corporation Commission ("Commission"), Unisource Electric ("UNS Electric") Renewable Energy Standard and Tariff Implementation Plan contemplates recovery of expenses in excess of the Market Cost of Comparable Conventional Generation ("MCCCG")." The Commission provided guidance on defining MCCCG in the context of its REST Rules and identified the MCCCG as "the Affected Utility's energy and capacity cost of producing or procuring the incremental electricity that would be avoided by the resources used to meet the Annual Renewable Energy Requirement, taking into account hourly supply and demand circumstances. Avoided costs should include any avoided transmission, distribution, and environmental compliance costs." This exhibit defines the methodology for developing the MCCCG rate for the Company.

METHODOLOGY

Annual MCCCG rates shall be calculated in advance and stated as a single $/MWh value by renewable technology type. The renewable technology types will be based on projected hourly energy profiles for each type of renewable resource. Annual MCCCG rates will include renewable resources such as wind resources, fixed photovoltaic systems, concentrated solar with storage, single-axis tracking photovoltaic systems, and bio-fueled resources. Specific MCCCG rates would be developed as needed when new renewable technologies or new purchase power agreements are added to the Company's renewable portfolio. Annual MCCCG rates will capture the value of the seasonality and time of day delivery by deriving an average of on and off peak dispatch costs weighted by on and off peak renewable generation. MCCCG rates shall be calculated each year using the companies production cost simulation software AuroraXMP by

EPIS, Inc. and will be done in coordination with the company's annual Purchase Power and Fuel Adjustment Clause ("PPFAC") filing. The hourly MCCCG rate determination criteria are shown in Table 1 below by comparing the types of renewable generation with the resource dispatch type. All projected MCCCG hourly rates are based on an AuroraXMP production cost simulation that forecasts adequate generation and transmission capacity to meet all firm load obligations including system reserve requirements. Finally, the cost of renewable generation above the annual MCCCG rates will be recovered through the REST Adjustor Mechanism and REST Tariff.

Table 1 - MCCCG Hourly Rate Determination Matrix

<table>
<tr><td colspan="6">Types of Renewable Generation Resources</td></tr>
<tr><td rowspan="5">Resource Dispatch Type</td><td></td><td>Dispatchable Renewable Generation</td><td>Firm Renewable Generation</td><td>Non-Firm Renewable Generation</td><td>Curtailable Non-Firm Renewable Generation</td></tr>
<tr><td>Wholesale sales transaction served from existing resource portfolio</td><td colspan="4" rowspan="2">The MCCCG rate will be based on projected incremental production costs to serve firm load and wholesale sales opportunities for that hour. Costs will include any projected transmission, distribution and environmental compliance costs.</td></tr>
<tr><td>No market transactions. Generation available from thermal resource portfolio.</td></tr>
<tr><td>Day, week or month ahead purchase transaction to serve firm load requirements.</td><td colspan="4">The MCCCG rate will be based on the projected day, week or month-ahead firm purchase power transactions committed for that hour. Costs will include any projected transmission, distribution and environmental compliance costs.</td></tr>
<tr><td>Spot market transaction to serve firm load requirements.</td><td colspan="4">The MCCCG rate will be based on the projected Palo Verde spot market price for that hour.

Costs will include any projected transmission, distribution and environmental compliance costs.</td></tr>
</table>

CALCULATION

$$MCCCG_{on} = Annual\ Average\ On\ Peak\ MCCCG\ Rate = \frac{\sum_{i=1}^{8760} PR_i * G_i * X_i}{\sum_{i=1}^{8760} G_i * X_i}$$

$$MCCCG_{off} = Annual\ Average\ Off\ Peak\ MCCCG\ Rate = \frac{\sum_{i=1}^{8760} PR_i * G_i * (1 - X_i)}{\sum_{i=1}^{8760} G_i * (1 - X_i)}$$

$MCCCG_{Annual\ Rate}$ = Average of on and off peak MCCCG rate weighted by projected on and off peak renewable generation.

It is assumed that there is a specific MCCCG rate for each renewable technology type.

Where

PR_i = Projected AuroraXMP dispatch cost ($/MWh) for hour *i*=1,2,…,8760.

G_i = Projected energy generation in renewable technology resource profile for hour *i*=1,2,…,8760.

$$X_i = \begin{cases} 1\ if\ hour\ i\ is\ an\ on\ peak\ market\ hour \\ 0\ Otherwise \end{cases} for\ i = 1,2,\ldots 8760$$

Table 2 – UNS Electric's 2016 MCCCG Annual Rates

Renewable Technology	MCCCG Annual Rates	$/MWh
	Solar PV	$42.06
	AZ Wind	$37.20
	Biomass	$37.66
	NM Wind	$36.72
	Solar CSP	$42.33

Exhibit 3

Above-Market Cost of Comparable Conventional Generation by Technology *

** Confidential **
To be provided pursuant to the terms of the protective agreement in this docket

Exhibit 4

Implementation Plan New Resources

Exhibit 4

Implementation Plan New Resource

Exhibit 4: IMPLEMENTATION PLAN - UNSE

Line No.		Ownership	Targeted Completion	2008-2016 Total MW (AC)	2008-2016 Total MW (DC)	Targeted Energy Production (MWh or Equivalent) 2016	2017	2018	2019	2020	Total
1	***Targeted Generation Resources:***										
2	***Solar:***										
4	Black Mountain Solar	PPA	COMPLETE	8.90	9.87	22,881	22,767	22,653	22,540	22,427	***113,267***
5	Red Horse II (Expansion)	PPA	6/30/2016	30.00	37.50	38,310	65,345	65,019	64,694	64,370	***297,737***
6	Kingman Wind Farm (Solar)	PPA	COMPLETE	0.24	0.30	692	689	685	682	678	***3,426***
7	La Senita	UNSE	COMPLETE	0.98	1.22	2,095	2,085	2,074	2,064	2,053	***10,371***
9	Rio Rico	UNSE	COMPLETE	5.76	7.20	11,427	11,370	11,313	11,256	11,200	***56,567***
10	UNSE 5 MW	UNSE	12/1/2016	4.00	5.00	767	9,152	9,106	9,061	9,015	***37,101***
11	***Wind:***										
12	Kingman Wind Farm	PPA	COMPLETE	10.00		23,652	23,652	23,652	23,652	23,652	***118,260***
13	Total Wind in (AC)				10.00						
14	***Total Targeted Generation***			***59.88***	***71.09***	***99,823***	***135,059***	***134,502***	***133,948***	***133,396***	***636,729***
15											
16	***Targeted Distributed Energy Resources:***										
17											
18	***Residential:***										
19	Solar PV	UFI			10.00	17,500	17,500	17,500	17,500	17,500	***87,500***
20	Solar PV	Non-Incentive			3.32	5,810	5,810	5,810	5,810	5,810	***29,050***
21	*Subtotal Residential*				*13.32*	*23,310*	*23,310*	*23,310*	*23,310*	*23,310*	***116,550***
22											
23	***Non-Residential:***										
24	Solar PV	UFI			0.73	1,278	1,278	1,278	1,278	1,278	***6,390***
25	Solar PV	PBI			4.67	8,179	8,179	8,179	8,179	8,179	***40,895***
26	Solar PV	Non-Incentive			0.63	1,103	1,103	1,103	1,103	1,103	***5,515***
27	*Subtotal Non-Residential*				*6.03*	*10,559*	*10,559*	*10,559*	*10,559*	*10,559*	***52,797***
28											
29	***Residential or Non-Residential:***										
30	Solar Heating				N/A	100	100	100	100	100	***500***
31	*Subtotal Residential or Non-Residential Solar Heating*				*N/A*	*100*	*100*	*100*	*100*	*100*	***500***
32											
33	***Total Targeted DE***				***19.35***	***33,969***	***33,969***	***33,969***	***33,969***	***33,969***	***169,847***
	Total Targed Resources				***90.44***	***133,792***	***169,028***	***168,471***	***167,917***	***167,365***	***806,576***

Exhibit 5

Implementation Plan
New Resource Costs *

** Confidential **
To be provided pursuant to the terms of the protective agreement in this docket

Exhibit 6

Rider-6
Renewable Energy Standard Tariff
and
Statement of Charges

UniSourceEnergy SERVICES

UNS Electric, Inc.

1st Alternate Original Sheet No.: REST-TS1
Superseding: Original Sheet No. REST-TS1

Rider-6
Renewable Energy Standard and Tariff (REST) Surcharge
REST-TS1 Renewable Energy Program Expense Recovery

APPLICABILITY
Mandatory, non-bypassable surcharge applied to all energy consumed by all Customers throughout Company's entire electric service area.

RATES
For all energy billed which is supplied by the Company to the Customer. The REST surcharge shall be applied to all monthly bills. The REST rates are shown in the UNS Electric Statement of Charges.

Note: An industrial customer is one with monthly demand equal to or greater than 3,000 kW.

For non-metered services, the lesser of the load profile or otherwise estimated kWh required to provide the service in question, or the service's contract kWh shall be used in the calculation of the surcharge.

This charge will be a line item on customer bills reading "Renewable Energy Standard Tariff."

Per Decision No. 73638, effective March 21, 2013, any Customer who has received incentives under the REST Rules, shall pay the average of the REST surcharge paid by members of their customer class. This requirement shall apply to renewable systems reserved on and after January 1, 2012. Any Customer who has a renewable installation without incentives that is interconnected with UNS Electric's system shall pay the average of the REST surcharge paid by members of their customer class. This requirement shall apply to renewable systems reserved on and after February 1, 2013. The average price is shown in the UNS Electric Statement of Charges.

UNS ELECTRIC STATEMENT OF CHARGES
For all additional charges and assessments approved by the Arizona Corporation Commission (ACC) see the UNS Electric Statement of Charges which is available on UNS Electric's website at www.uesaz.com.

RULES AND REGULATIONS
The standard Rules and Regulations of the Company as on file with the ACC shall apply where not inconsistent with this pricing plan.

TAX CLAUSE
To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

REDLINE

UniSourceEnergy SERVICES

UNS Electric, Inc.

Alternate ~~Fifth~~Sixth Revised Sheet No.: ~~801-1~~

Superseding ~~Fourth~~ Fifth Revised Sheet No: ~~801-1~~

UNS ELECTRIC STATEMENT OF CHARGES

Description	Rate	Effective Date	Decision No.
Rider R-1 – Purchased Power and Fuel Adjustment Clause (PPFAC)	Varies–See Rider-1	January 1, 2014	74235
Rider R-2 – Demand Side Management Surcharge (DSMS)	$0.0015 per kWh	August 1, 2014	74599
Rider R-3 – Market Cost of Comparable Conventional Generation (MCCCG) Calculation as Applicable to Rider-4 NM-PRS	$0.03003 per kWh	Pending	Pending
Rider R-5 – Electric Service Solar Rider (Bright Arizona Community Solar™) Solar Block Energy Rate for Residential Electric Service, Rate R-01 Solar Block Energy Rate for General Service, Rate SGS-10 Solar Block Energy Rate for Large General Service, Rate LGS	 $0.087445 per kWh $0.085495 per kWh $0.077991 per kWh	January 1, 2011 through December 31, 2013	72034
Rider R-5 – Electric Service Solar Rider (Bright Arizona Community Solar™) Solar Block Energy Rate for Residential Electric Service, Rate R-01 Solar Block Energy Rate for General Service, Rate SGS-10 Solar Block Energy Rate for Large General Service, Rate LGS	 $0.084510 per kWh $0.078241 per kWh $0.076603 per kWh	January 1, 2014	74235
Rider R-6 – Renewable Energy Standard and Tariff Surcharge REST-TS1 Renewable Energy Program Expense Recovery Monthly Cap For Residential Customers: For Commercial Customers: For Industrial Customers: For Lighting (PSHL):	$0.~~01000~~00700 per kWh Monthly Cap $3.40 per month $90.00 per month $10,000 per month $90.00 per month	~~January 1, 2015~~Pending	~~74877~~Pending
Rider R-6 – Renewable Energy Standard and Tariff Surcharge REST-TS1 Renewable Energy Program Expense Recovery Per Decision No. 73638, customers receiving incentives on or after January 1, 2012 shall pay the average of the REST surcharge paid by members of their customer class. Customer with renewable installations without incentives that is interconnected with UNSE's system on or after February 1, 2013 shall pay the average of the REST surcharge paid by members of their customer class. The average price by class shall be the following: Monthly Cap For Residential Customers: For Commercial Customers: For Industrial Customers: For Lighting (PSHL):	 Monthly Cap $3.00 per month $19.50 per month $9,763 per month $1.30 per month	~~January 1, 2015~~Pending	~~74877~~Pending

Filed By: Kentton C. Grant
Title: Vice President
District: Entire Electric Service Area

Rate: Statement of Charges
Effective: January 1, 2014
Decision No.: 74235

CLEAN

UniSourceEnergy SERVICES

UNS Electric, Inc.

Alternate Sixth Revised Sheet No.: 801-1

Superseding Fifth Revised Sheet No: 801-1

UNS ELECTRIC STATEMENT OF CHARGES

Description	Rate	Effective Date	Decision No.
Rider R-1 – Purchased Power and Fuel Adjustment Clause (PPFAC)	Varies–See Rider-1	January 1, 2014	74235
Rider R-2 – Demand Side Management Surcharge (DSMS)	$0.0015 per kWh	August 1, 2014	74599
Rider R-3 – Market Cost of Comparable Conventional Generation (MCCCG) Calculation as Applicable to Rider-4 NM-PRS	$0.03003 per kWh	Pending	Pending
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Filed By: Kentton C. Grant
Title: Vice President
District: Entire Electric Service Area

Rate: Statement of Charges
Effective: January 1, 2014
Decision No.: 74235

Exhibit 7

Customer Load Percentage Analysis

Exhibit 7
Customer Load Percentage Analysis

2016 Company Proposal

Customer Class	Total Revenue	Percent of Revenue	Average Bill	Monthly Cap	Percent of Bills at Cap	Percent of Load
Residential	$2,761,880	53.3%	$2.75	$3.40	62.8%	50.6%
Commercial	$2,033,441	39.2%	$15.63	$90.00	6.9%	43.6%
Lighting	$5,544	0.1%	$0.88	$90.00	0.2%	0.1%
Industrial & Mining	$380,414	7.3%	$7,925.30	$10,000.00	62.5%	5.8%
Commercial	$5,181,280	100.0%				100.0%

Exhibit 8

UNS Electric
Renewable Energy Credit Purchase Program

TABLE OF CONTENTS

I. Frequently Asked Questions

What is Distributed Generation?

Distributed Generation (DG) is defined as electric generation sited at a customer premise, providing electric energy to the customer load on that site or providing wholesale capacity and energy to the local Utility Distribution Company for use by multiple customers in contiguous distribution substation service areas. The generator size and transmission needs shall be such that the plant or associated transmission lines do not require a Certificate of Environmental Compatibility from the Arizona Corporation Commission (ACC).

What are Distributed Renewable Energy Resources?

Distributed Renewable Energy Resources are applications of appropriate technologies that are located at a customer's premise that displace conventional energy resources that would otherwise be used to provide electricity to Arizona customers.

UNS Electric, Inc. (UNSE or Company) provides programs consistent with these definitions and generally refers to these programs as DG programs. For more information on these and other definitions, please visit the ACC's Renewable Energy Standard and Tariff webpage at http://www.azcc.gov/divisions/utilities/electric/environmental.asp .

What is Net Metering?

Net Metering refers to the production of electricity from a qualifying renewable energy electric generator, such as photovoltaic (PV) panels, used to offset electricity provided by UNSE. Customers deemed eligible for participation in UNSE's Net Metering Tariff will be required to install a bi-directional meter capable of measuring the flow of electricity to and from the customer's premises. Net Metering customers may buy and sell electricity to and from UNSE under the applicable terms and tariff rate.

No system may exceed 125% of connected load for that meter, where connected load is defined as the maximum demand divided by 0.6. For more information on Net Metering, please visit https://www.uesaz.com/customer/rates/ .

Why is UNSE involved with DG?

The ACC, which regulates UNSE and utilities like it in Arizona, enacted the Renewable Energy Standard and Tariff (REST) Rules in 2008. These rules require UNSE to replace a substantial portion of its retail sales with renewable energy by investing in a variety of projects, including both utility-scale and DG projects. In order to comply with a portion of the REST Rules governing DG projects. UNSE also supports the interconnection of customer-sited DG systems to its electrical grid, even if RECs were not purchased.

What is a UNSE-qualified installer?

A UNSE-qualified installer is an installer that has been evaluated by UNSE personnel and deemed to have met the prerequisites for qualification. In order to become UNSE-qualified, each installer must meet certain UNSE requirements, including but not limited to annual submittal of the necessary paperwork contained within the "Installer's Packet". Each submittal must include, but is not limited to the following: an Installer's Agreement, a current and valid Arizona Registrar of Contractor's (AZROC) license appropriate for the solar technology being installed, Arizona business license in good standing, and similar information regarding any sub-contractor(s), if applicable.

Where can I find more information?

For more information about UNSE's renewable energy plans, please consult UNSE's approved 2016 REST Implementation Plan, which can be found online at www.uesaz.com/Renewable/. Questions may be directed to (877) 837-4968.

What else do I need to know?

Each of the programs described herein, including all terms and conditions, are subject to change as dictated by program need and any and all regulatory authorities.

UNSE's RECPP does not accommodate non-customer sited projects for any reason. "Solar Farms" or other utility-scale generation projects do not qualify under UNSE's RECPP. These projects may participate in UNSE's next request for proposals (RFP) for renewable energy.

UNSE's RECPP does not allow for any aggregated or virtual net metering of a customer's loads under any circumstance.

II. INSTALLER QUALIFICATIONS

All systems interconnecting to UNSE's system must be installed by an installer properly licensed by the state of Arizona and qualified to install solar projects. UNSE will verify that the installer meets the following minimum qualifications prior to confirming a reservation request:

1. The installer must possess a valid license on file with the Arizona Registrar of Contractors (AZROC) with a license classification appropriate for the solar technology being installed. Alternatively, the installer must identify use of any sub-contractor(s) and ensure the subcontractor(s) maintain an appropriate license(s) on file with the AZROC for the solar technology being installed. Installers may not sub contract outside their scope of work per the AZROC rules; and
2. The installer must possess an Arizona business license that is active and in good standing.

   Installers must have completed the UNSE Installer's Packet and have provided the above information to be retained on file with UNSE. The installer must certify that the information on file remains current with the submission of each reservation request. Information on file must be renewed by the end of the calendar year and resubmitted for participation in the upcoming program year.

3. Self-Install. If a customer desires to install a PV system on their home, a licensed electrical contractor must perform all applicable connections as required by the customer's local jurisdiction. All project documentation is still required.

III. NET METERING

Customers interconnecting to UNSE's system may have their solar PV net metered. All policies and procedures regarding interconnection must be followed prior to a net meter being set. All billing structures and rates are subject ACC approval.

IV. Prohibition of System Removal

Neither the Qualifying System nor any component thereof may be removed by any party, including but not limited to the applicant or future owners or occupants of the property until expiration of the Renewable Energy Credit Agreement or the last day of the final month of the final full calendar year of the applicable incentive payment term. If the Qualifying System or any component thereof is removed by any party in violation of this provision, the customer party to the Renewable Energy Credit Agreement shall immediately reimburse UNSE a prorated amount of the incentive amount paid by UNSE to customer or on behalf of customer to an authorized third party.

In addition, if a Qualified System is removed, UNSE shall monitor that specific customer site to ensure that an additional incentive is not provided for any new distributed renewable energy resource system on that site until the original Renewable Energy Credit Agreement's contracted operational life of the original system has expired.

UNSE shall attempt to monitor the number of missing or non-working distributed generation systems and shall summarize its observations in its annual Compliance Report.

For DG systems that did not receive incentives, the customer must still notify UNSE as to whether the system will be relocated or deemed out of service. This is necessary for UNSE's operations to maintain accurate records.

V. Community Solar

For customers who do not wish to operate a DG system, UNSE offers the Bright Arizona Community Solar Program. The Bright Arizona Community Solar Program offers an easy and affordable way for UNSE customers to meet their electric needs with locally generated solar power by purchasing solar power in "blocks" of 150 kWh per month. A customer may buy some or all of their power through the program. For more information, please see UNSE's Green Energy webpage at www.uesaz.com/renewable/home/bright/.

VI. Incentives

UNSE currently does not offer any new Up-Front Incentive (UFI) or Performance-Based Incentive (PBI) programs. Only customers who entered into a PBI contract with UNSE in prior years will continue to receive ongoing incentive payments.

VII. General Interconnection Processes

Application Process:

UNSE's interconnection application process appears below. UNSE requires strict adherence to this process. Any deviation from the requirements below may result in your application being denied. If you are working with an installer or contractor, please ensure that they follow the required processes explained below.

1st Step: Submittal of the Properly Completed UNSE Application.
*Please visit www.uesaz.com/renewable for online application submission. Residential applications are to be submitted online or via US Mail. Non-Residential customers must submit paper applications.

2nd Step: Submittal of executed Attachments A & B

Attachment A: Notifies customer that they are subject to future rate changes, as approved by the ACC.
Attachment B: Confirms that the solar PV system was installed according to UNES' Service Requirements (SR), and DG Interconnection Requirements (DGIRs). These can be found at https://www.uesaz.com/customer/construction/esr/.

*** All residential application paperwork must contain the associated project number that is provided upon successful completion of online application**

3rd Step: Required program documents & other associated paperwork can be forwarded as follows:

Mail may be forwarded to the following address regardless of program:

UNS Electric, Inc.
Renewable Resources Department
2498 Airway Ave
Kingman, AZ 86401

Emails and Faxes may be sent to the following regardless of program:

renewables@uesaz.com or faxed to 928-681-8999

Paperwork sent directly to any specific employee Company email address may not be processed.

4th Step: Confirmation or Denial of Reservation.

- Once received, UNSE will match the application with the submitted Attachment A & B. It is the customer's and/or installer's responsibility to ensure that all forms are filled out completely and correctly. **Forms with missing and/or incorrect information will be placed in a "Missing information" status and will not be approved until corrected. Outdated forms will be rejected.**
- UNSE will evaluate each application for completeness. UNSE will also verify, where an installer is used, that the installer is a UNSE-qualified installer. If UNSE has not received a completed installer packet, this will be required prior to application approval. Provided that the application meets UNSE's requirements, and that the installer, if any, is UNSE-qualified, UNSE will issue the customer and installer a reservation confirmation letter and provisionally approve the application.

5th Step: Submittal of Jurisdictional Final Inspection.

1. Failure to obtain a jurisdictional final inspection within 180 days for residential projects, and 365 days for non-residential projects, of the date of the application confirmation letter will result in the revocation of a customer's interconnection application. If this occurs, the customer or installer must reapply to participate in the program subject to all policies, procedures and rates in effect at time of reapplication.
2. In the event that a jurisdictional final inspection is not completed within the required timelines and the customer or installer provides proof to UNSE that a correctly completed application for a jurisdictional final inspection was made within the timeline required, UNSE will neither process nor revoke the customer's reservation for 30 days to allow customer time to confirm with the inspecting jurisdiction when the inspection will occur. Provided that the customer provides UNSE with an inspection date within those 30 days, the customer's reservation will be honored. If 30 days elapses with no information from the customer, the application will be terminated and the customer must reapply to participate in the program subject to policies, procedures and rates in effect at time of reapplication.

6th Step: Submittal of Certificate of Completion (COC) Form.

For all program applications: once the jurisdictional final inspection has been approved, the installer or customer must submit the appropriate COC. It is the responsibility of the installer to be sure that the COC contains the application Project Number, any COC's without a project number are considered incomplete and **will not be accepted**.

7th Step: UNSE will confirm installation of your system.

8th Step: UNSE process of setting meters.

Upon receipt of the jurisdictional final inspection, as well as the COC, UNSE will set a solar energy production meter and change the customer's revenue meter to a net energy revenue meter.

Restrictions/Important Notes:

1. UNSE reserves the right to modify the business process to better serve customers or to increase efficiency. Please refer to www.uesaz.com/renewable for the most up-to-date information.
2. With the exception of minor system modifications during the procurement process, any material changes to a system made after the application is processed will result in cancellation of the existing application and will require a new online application to be submitted. The reservation request may be denied because the request is not in compliance with program requirements (see specific technical sections below).
3. Project extensions will not be granted except as outlined herein.
4. Receipt of the application is not valid until a properly completed application, appropriate disclaimers and a completed Installer's Packet has been received by UNSE. Any application packets submitted incorrectly will be cancelled as will their corresponding online application.
5. UNSE must receive the required program documents; RECPP Reservation Packet and approve the application prior to receiving the meters. ("installed" is defined as the date of the final clearance from the appropriate jurisdiction).
6. In order to participate in the RECPP, installers must have on file with UNSE a completed Installer's Packet, including a. This document is available in the Installer's Corner at www.uesaz.com/renewable.

VIII. Other Incentives

A. Technologies without Technology Specific Criteria

Technology specific criteria have not yet been developed for the following qualifying technologies:

- Fuel Cells
- Other

For applicants requesting incentives for these technologies or for applicants requesting installation of a technology with specific project technology criteria, but where some criteria cannot be met, the applicant will need to submit design and output documentation.

Applicants installing these systems will, at a minimum, need to provide an energy savings and designed output report for the system. The report must include either a testing certification for a substantially similar system prepared by a publicly funded laboratory or an engineering report stamped by a qualified registered professional engineer. The engineering report and/or testing certification shall provide a description of the system and major components, design criteria and performance expectations, applicable standards and/or codes, and a brief history of components in similar applications. Additional information may be required as part of the RECPP requirements.

B. Non-Conforming Projects

Non-conforming projects will be identified as the Program evolves. Incentive levels for such projects will be calculated based on UNSE engineering analysis, independent laboratory analysis, and/or professional engineering (PE) stamps. Non-conforming projects that prove combined economic and renewable energy value will be allowed appropriately calculated incentives within the RECPP. All incentives must be approved by the ACC.

C. Guidelines for Photovoltaic Projects Interconnecting Without Incentives

Customers may install grid-tied photovoltaic electric systems behind their meter without incentives. If a customer chooses to do so, the customer shall still notify UNSE that a renewable energy generator is being connected to UNSE's grid and complete any associated interconnection processes as defined above, or online at uesaz.com. The process for non-incentive utility interconnection, for both residential and non-residential projects, is available at www.uesaz.com/renewable.

All projects must adhere to applicable SRs and DGIRs. In addition to any applications required by the Renewable Resources department, all systems over 50 kW AC are required to submit Interconnection Applications to UNSE's Engineering department.

Appendix 1: Glossary of Terms

ACC – Arizona Corporation Commission.
AZROC – Arizona Registrar of Contractors.
Applicant – Utility customer of record for the Utility Revenue Meter located at the installation site; a builder of the structure (residential or non-residential) who will reserve and install the Qualifying system; or for an off-grid Qualifying System, the property owner for the installation site located within a Utility's service territory.
Arizona Business License – A business license issued by the ACC.
Cancellation – The termination of the Application.
Commissioned – Qualifying System certified to be in operation.
Certificate of Completion – Written verification signed by the installer and the customer confirming that the system has been installed in conformance with the approved application and that the system is ready for operation.
Conforming Project – Any project utilizing a renewable technology listed in Attachment D.
Customer – Utility customer of record for the Utility Revenue Meter located at the installation site or a builder of the structure (residential or non-residential) who will reserve and install the Qualifying System.
Installer – The entity or individual responsible for the installation of a qualifying system.
Installed – The date of the final clearance from the appropriate jurisdiction
Interconnection Inspection – Inspection performed by the utility to confirm that the system can be safely interconnected to the power grid.
Non-Conforming Project – Non-conforming projects include, but are not limited to, projects with staged completion dates, multi-customer or multi-system projects, projects involving more than one technology, projects requiring new or unique agreement terms, projects with technologies for which qualification standards have not been developed or projects requiring non-standard timeframes.
Performance Based Incentive ("PBI") – Incentive based on a rate per actual kWh output or on equivalent kWh of energy savings.
Project Costs – System Costs plus financing costs.
Qualifying System – Distributed renewable energy systems meeting the qualifications for production of qualified Renewable Energy Credits in Arizona acceptable to the Arizona Corporation Commission as they may be defined for affected utilities to meet any renewable energy standards.
Renewable Energy Credit ("REC") – One Renewable Energy Credit is created for each kWh, or kWh equivalent for non-generating resources, derived from an eligible renewable energy resource. RECs shall include all environmental attributes associated with the production of the eligible renewable energy resource.
System Costs – Costs associated with the Qualifying System components, direct energy distribution, system control/metering, and standard installation costs directly related to the installation of the Qualifying System.
Up Front Incentive ("UFI") – One time incentive payment based on system capacity or estimated energy kWh production rather than on measured system output.